

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Engrossed: H2/3/99 H2/4/99 S2/22/99

A Bill

Act 450 of 1999
HOUSE BILL 1178

5 By: Representative Lynn
6 By: Senator Gordon
7

For An Act To Be Entitled

10 "AN ACT TO REPEAL ARKANSAS CODE 17-25-403 PERTAINING
11 TO THE LIABILITY OF CUSTOMERS FOR CONTRACTOR'S FAILURE
12 TO HONOR ITS FINANCIAL OBLIGATIONS TO THE STATE OR ITS
13 POLITICAL SUBDIVISIONS; AND FOR OTHER PURPOSES."

Subtitle

15 "AN ACT TO REPEAL ARKANSAS CODE 17-25-403
16 PERTAINING TO THE LIABILITY OF CUSTOMERS
17 FOR CONTRACTOR'S FAILURE TO HONOR ITS
18 FINANCIAL OBLIGATIONS TO THE STATE OR ITS
19 POLITICAL SUBDIVISIONS."
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code 17-25-403 is amended to read as follows:

25 "17-25-403. Liability of customer.

26 *In the event the contractor fails to honor its financial obligations to the*
27 *State of Arkansas, any city, county, school district, state agency, or other*
28 *political subdivision of the state, the customer for whom the work was being*
29 *performed shall be responsible for all financial obligations of the contractor*
30 *to the State of Arkansas, or any city, county, school district, state agency,*
31 *or other political subdivision of the state, on that customer's project*
32 *provided that the customer receives written notice of the contractor's failure*
33 *to comply with this subchapter prior to final payment to the contractor. The*
34 *written notice must include the maximum amount of any and all financial*
35 *obligations the contractor may potentially owe to the State of Arkansas, or*
36 *any city, county, school district, state agency or other political subdivision*

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1 of the state, arising from that customer's project."

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3 SECTION 2. All provisions of this Act of a general and permanent nature
4 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
5 Revision Commission shall incorporate the same in the Code.

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7 SECTION 3. If any provision of this Act or the application thereof to
8 any person or circumstance is held invalid, such invalidity shall not affect
9 other provisions or applications of the Act which can be given effect without
10 the invalid provision or application, and to this end the provisions of this
11 Act are declared to be severable.

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13 SECTION 4. All laws and parts of laws in conflict with this Act are
14 hereby repealed.

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16 /s/ Lynn

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19 APPROVED: 3/8/1999
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